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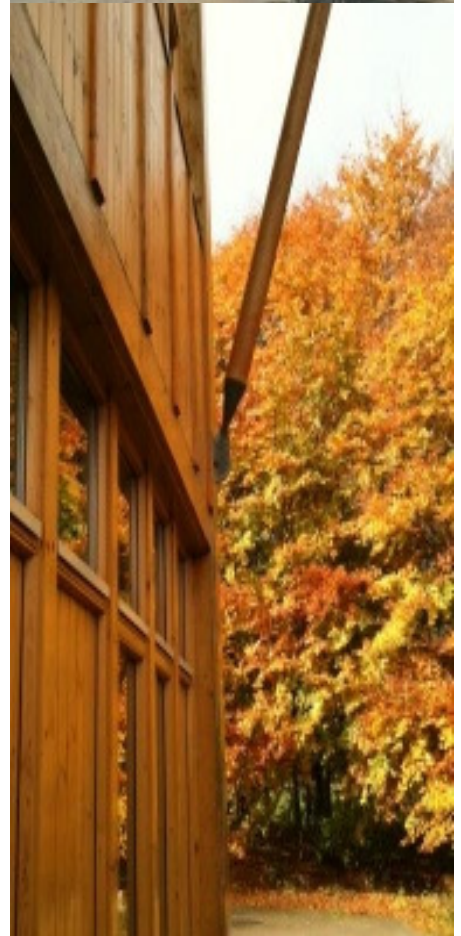
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Small States with a Big Role:

Qatar and the United Arab
Emirates in the Wake of the
Arab Spring

Dr Kristian Coates Ulrichsen

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SMALL STATES WITH A BIG ROLE: QATAR AND THE UNITED ARAB EMIRATES IN THE WAKE OF THE ARAB SPRING

Dr Kristian Coates Ulrichsen

Co-Director, LSE Kuwait Research Programme on Development, Governance and Globalisation in the Gulf States, and Associate Fellow, Chatham House Middle East and North Africa Programme

Introduction

The international military intervention in Libya in March 2011 dramatically exposed the new contours of power and influence in the Middle East regional system. At a time of regional upheaval, Qatar and the United Arab Emirates (UAE) appeared to be outposts of stability and prosperity, even as the protests reached neighbouring Gulf Cooperation Council (GCC) states. Their ostensible calm reinforced both countries' ambitious state-branding strategies and imbued ruling elites in Doha and Abu Dhabi with the confidence to lead the Arab response to Libya. This was consistent with their leaderships' visions of Qatar and the UAE as regional powers with a truly international reach. Moreover, it came just three months after the surprise awarding of the 2022 FIFA soccer World Cup symbolised the Gulf States' arrival as global actors.

This paper will critically examine the prominent rise of Qatar and the UAE in a region in transition. It will do this in three sections. The opening section concentrates on the practical and normative implications of their greater involvement in the 'government' of globalisation. Thus, the opening section will contextualise their rise against the backdrop of a global political and economic landscape in transition in the 2000s. Capital accumulation during the oil price boom between 2002 and 2008 meshed with policy decisions on how to deploy it in ways that extended the GCC states' leverage in the global economy. The section therefore focuses on how Qatar and the UAE became embedded in the global system of power, politics, and policy-making. Ties also thickened with other groups of emerging economies in 'coalitions of convenience' around a shared interest in rebalancing the frameworks of global engagement. This was particularly evident in the spheres of financial and energy governance and the international politics of climate change.¹

The middle section explores how the rise of Qatar and the UAE has challenged the existing academic literature on the role of small states in comparative politics and international relations. Opportunities for small states to make their voice heard have proliferated in today's intensely globalised environment where influence is projected through multiple channels and is less reliant on territorial size than ever before. Their status as resource-rich polities with a highly-concentrated decision-making core freed rulers from many of the constraints on states with more participatory political systems. Notably, this included fellow GCC member Kuwait, which experienced a protracted political struggle between its assertive National Assembly and appointed government over the same time-frame in the 2000s.² Consequently, the policy choices taken by dynamic and proactive leaders hold analytical and comparative value for the study of the Gulf states within the contemporary international system.

The final section investigates the policy responses in Qatar and the UAE to the Arab Spring and assesses how they assumed very different trajectories in 2012. It begins by

documenting their multifaceted intervention in the civil conflict in Libya. The analysis then examines each country in turn. In the case of Qatar, it emphasises the profound shift in Qatari regional and foreign policy away from its recent focus on diplomatic mediation towards a much more assertive and interventionist policy. Further, it argues that this (r)evolution has jeopardised the enabling factors that so assisted Qatar's ascendancy on the regional and world stage. For its part, the sub-section on the UAE centres on the growing nervousness of ruling elites in Abu Dhabi to domestic unrest and societal pressures for reform. This reflects a widening gap in expectations between Abu Dhabi and Dubai as they confirm their position as leading regional and international hubs and continue to expand their global footprint, and the conditions of relative socio-economic deprivation in the five northern Emirates. This securitisation of domestic policy already has had negative ramifications for the UAE's international profile, as officials struggle to balance their hitherto-heralded openness with a newfound intolerance of dissent and pluralistic opinion.

The Gulf and the Global Rebalancing

The Gulf states became increasingly visible global actors during the first decade of the twenty-first century. Their significant reserves of hydrocarbons (oil and natural gas) and advantageous geographical position between West and East positioned the oil-rich GCC states as a central pivot in the shifting global economic landscape. This was facilitated by the surge in oil prices from \$22 per barrel in 2002 to a peak of \$147 per barrel in 2008 and the massive capital inflows that resulted. Collectively, the six GCC states³ were estimated to have acquired some \$912 billion in foreign assets over the five years between June 2003 and June 2008.⁴ While exact statistics are hard to pin down, gross oil income in Saudi Arabia rose from an estimated \$42 billion in 1999 to \$307 billion in 2008, from \$13 billion to \$87 billion in the UAE, and from \$4 billion to \$27 billion in Qatar over the same period.⁵ Qatar also benefited from a decade of far-sighted investment in its Liquefied Natural Gas (LNG) infrastructure, enabling it to maximise its control of the world's third-largest reserves of natural gas. This produced average economic growth of 13% per year during the 2000s, and, when production reached its targeted peak of 77 million tons per year in 2010, its gas income was nearly double its oil revenue.⁶

Equally significant were policy decisions on how to utilise the accrued wealth, in large part through sovereign investments. The Abu Dhabi Investment Authority was established as far back as 1976, nearly three decades ahead of the Qatar Investment Authority (2005). They were complemented by a range of other state investment vehicles, such as Mubadala in Abu Dhabi (2002) and Qatar Holding, a global investment arm of the Qatar Investment Authority (2006). In addition to acquiring stakes in iconic brands such as Porsche, Harrods, and London's Olympic Village, and developing internationally-prestigious projects such as Masdar City in Abu Dhabi, Gulf-based sovereign wealth funds played a critical role in recapitalising struggling Western financial institutions during the early stage of the financial crisis.⁷ Indeed, they accounted for up to one-third of the emergency funding made available by European governments to avert a financial collapse in the autumn of 2008.⁸ In the United States, the outgoing George W. Bush administration sought significant Gulf assistance for its bailout of the automobile industry in November 2008.⁹

Officials in Gulf capitals did not provide such assistance without condition. Instead, they linked it to the reform of structures of global governance seen as unrepresentative of emerging economies. In 2008, leaders expressed their irritation at assumptions that they would unquestionably contribute to International Monetary Fund (IMF) rescue packages. In November 2008, Saudi Finance Minister Ibrahim al-Assaf rebuffed visiting British Prime Minister Gordon Brown's suggestion that the Kingdom and other oil-rich nations increase their contributions to the IMF. Dismissing rumours that "we were coming here to pay the bill," al-Assaf stated that "We are not going to pay more or less than others. We have been playing our role responsibly and we will continue to play our role, but we are not going to finance the institutions just because we have large reserves".¹⁰ One week later, the Governor of the UAE Central Bank, Nasser al-Suwaidi, offered a blunter perspective that outlined Gulf states' interests and motivations: "If they [GCC states] are given more voice then they will provide money maybe...They will not be providing funds without extra voice and extra recognition".¹¹

In the run-up to the meeting of the G20 in London in April 2009, the contours of a loose new alignment of emerging economies converged around calls to redress a representational imbalance in the international financial architecture. Chinese President Hu Jintao visited Saudi Arabia in February 2009 and pledged to work with the GCC "with a view to reforming the global financial institutions".¹² Shortly thereafter, al-Assaf made it clear that the Kingdom advocated an increase in the shares and voting rights in international financial institutions.¹³ Ahead of the next G20 meeting in Pittsburgh in September, Saudi Arabia (as the representative of the GCC on the G20) joined with the influential BRIC economies¹⁴ in supporting a proposal to increase emerging economies' representation in the IMF that would more accurately reflect their weight in the global economy.¹⁵ Qatar's Prime Minister and Minister of Foreign Affairs, Sheikh Hamad bin Jassim bin Jaber Al-Thani, went further by suggesting that the international system be 'redefined'. He called for profound changes to its organisational framework in recognition of the emergence of a multi-polar order in which the West was no longer the sole or even the major player.¹⁶ His intervention was significant as it represented one of the most detailed statements of the objectives that guided GCC states' policy-makers in seeking to leverage their influence in changing global institutions. Furthermore, his observation that international relations should be based on the rule of law at the global as well as the domestic level foreshadowed Qatar's role in Libya in March 2011.¹⁷

Whereas Saudi Arabia took the lead in debates over the reforms to the international financial architecture, largely by virtue of its position on the G20, Qatar and the UAE became involved in new frameworks of energy governance and the international politics of climate change. Abu Dhabi campaigned hard to win the right to host the headquarters of the International Renewable Energy Agency in 2009. Symbolically, it marked the first time that an international agency had established itself in the Middle East, although Abu Dhabi's successful bid was buttressed by the promise of up to \$135 million in cash pledges and in-kind assistance to the new agency.¹⁸ Qatar, meanwhile, took the lead in upgrading the Gas Exporting Countries Forum into an intergovernmental organisation, as well as headquartering it and hosting its annual ministerial meetings with fellow gas-producers such as Russia, Iran, and Venezuela.¹⁹

Qatar also became the first GCC (and OPEC) member to develop a climate change policy that does not reflexively follow the obstructionist Saudi position. To a large

extent, this was enforced by its selection as the host for the eighteenth Convention of the Parties ('COP 18') climate change conference in November 2012. Although elite officials in Doha initially viewed the event as part of their ambitious 'state-branding' programme, they subsequently realised that it actually would require them to formulate substantive proposals and initiatives to put before the conference. Doing so would minimise the chance that attention might focus on the incongruity of hosting a climate change in a major hydrocarbons-exporting state, but grasp instead the opportunity to craft a new consensus on international climate change encompassing industrialised and emerging oil-producing and consuming nations alike.²⁰

These all represent practical moves into what Robert Keohane labels the '*governance of globalisation*', resting on inter-state cooperation and trans-national networks rather than normative attachments to concepts of '*global governance*'.²¹ Significantly, the Gulf states' predilection for state-led international governance aligns with a similar preference in other major emerging powers. Chinese and Indian discourses, for example, exhibit an underlying scepticism of global governance as an intrusion into sovereign leadership borne of their experiences of colonial control.²² This increases the prospect that like-minded 'coalitions of convenience' may form among groups of emerging economies intent on reforming aspects of the international system. A shared interest in reshaping frameworks of global engagement both reflects and underpins a deeper realignment around the rebalancing of global geo-economic power.²³

The extent of this shift is captured by recent academic work that has focused on the concept of the 'world economic centre of gravity' (WECG) to provide empirical evidence for the redistribution of global economic activity.²⁴ One recent extrapolation of economic growth from 700 locations across the world indicates that the WECG shifted 4800 kilometres eastward between 1980, when it was located roughly midway in the Atlantic Ocean, and 2010, when it reached a longitude equivalent to Izmir in Turkey or Minsk in Belarus. It further suggests that by 2050 the WECG will have moved another 4500 kilometres to the east, to lie at a point between India and China.²⁵ As argued above, their hydrocarbon reserves and capital inflows positioned the Gulf states as a geographically-central pivot in the changing global order.

As small states with nimble and ambitious leaderships capable of taking and executing quick decisions, Qatar and the UAE were at the forefront of these shifting geo-economic patterns. During the 2000s, their economic and trading orientation moved further towards emerging economies in the Global South. Interestingly, after the poor performance of investments in Western economies in 2008 and 2009, their sovereign wealth funds began to rebalance their portfolios towards emerging economies. A prominent example was a \$6 billion investment by the Qatar Investment Authority in the Agricultural Bank of China in 2010.²⁶ Ties with Asian partners also deepened through emerging energy interdependencies and changes in the direction of non-oil trade flows in petrochemicals, plastics, and aluminium.²⁷ Ras Laffan Industrial City on Qatar's north-eastern shore provides a clear example of these new inter-regional dynamics. From there, giant Q-Max super-tankers laden with cargoes of LNG sail for markets around the world, although global factors have increased the importance of Asian destinations.

A massive expansion of LNG facilities in Australia and the (controversial) adoption of hydraulic fracturing ('fracking') to unlock vast quantities of shale gas in the United States, caused Qatar to divert supplies intended for the United States to Asian markets

in 2011. Officials in Doha also scaled down plans to earmark one-third of their production for North America, and focused instead on tying Asian countries into long-term bilateral agreements.²⁸ Deals were concluded with South Korea, Taiwan, and Japan in 2011 and 2012, adding to a twenty-five year agreement reached in 2009 that makes Qatar the largest supplier of LNG to China. That tie-up between Qatar Petroleum and the China National Offshore Oil Company (CNOOC) prompted the CNOOC President, Fu Cheng Yu, to state that “the global economy is in fundamental reshaping and we have determined to build up [a] strategic partnership in the energy field with Qatar”.²⁹

The UAE has similarly expanded its ties with Asian partners, which collectively account for 96% of its exported oil. Of particular note is its burgeoning relationship with South Korea. This centred on the \$20 billion deal signed in December 2009 between the Emirates Nuclear Energy Corporation (ENEC) and a consortium led by the Korea Electric Power Corporation (KEPCO), to construct four nuclear power reactors in the western region of the emirate of Abu Dhabi.³⁰ Significantly, it was followed by a number of other strategic and commercial partnerships between the two countries. They included an oil storage agreement placing up to six million barrels of Abu Dhabi crude oil in Korea’s Strategic Petroleum Reserve³¹; the provision of Korean military training to UAE soldiers in counter-insurgency and counter-terrorism operations³²; and a lucrative oil exploration deal assigning two onshore and one offshore block (cumulatively covering 10% of Abu Dhabi’s territorial mass) to the Korea National Oil Corporation (KNOC).³³ Similar to the sentiments expressed by the President of CNOOC in Qatar, the Chief Operating Officer of KNOC, Seong Hoon Kim, declared that “We don’t have any natural resources but very modern high technology. If we combine together, it will be a very good combination for both countries”.³⁴

Other developments showcasing the shifting inter-regional connections have been emerging. Two in particular stand out. The first is the growing food-energy security nexus binding together states in the GCC with their counterparts in the Association of Southeast Asian Nations (ASEAN). In June 2009, the two regional organisations held an inaugural joint foreign ministerial meeting in Bahrain at which they discussed plans to build a trade bloc based on mutual interests. This involved meeting the Gulf states’ food security requirements as well as the ASEAN members’ need for energy security. At the meeting, the ASEAN Secretary-General, Suri Pitsuan, noted presciently that “You have what we don’t have, and we have in plenty what you don’t have, so we need each other”.³⁵ The surge in global food prices in 2007 and early 2008 brought home to GCC governments their overwhelming reliance on imported foodstuffs and consequent vulnerability to external food shocks. Food imports currently account for more than 85% of UAE supplies and – in the case of rice and wheat – a near-total 98% of Qatari consumption.³⁶

In response, both countries subsequently engaged in ‘agro-investments’ primarily in Asia and Africa, but also in Latin America and Australia. UAE-based investors (such as Abraaj Capital) purchased 400,000 hectares of land in Sudan and 324,000 hectares in Pakistan in 2008.³⁷ Other strategic investments also occurred in Tanzania, Ethiopia, Mozambique, and Kazakhstan.³⁸ In Qatar, the government launched a National Food Security Programme and established the Hassad Food Company in 2008 as a \$1 billion subsidiary of the Qatar Investment Authority. In 2009, it reached a \$500 million agreement to grow wheat and rice in Sudan, while in 2010 it entered

negotiations to purchase a sugar manufacturing plant in Brazil capable of meeting Qatar's entire demand for raw and refined sugar. Further, it created a Sydney-based sub-subsidiary, Hassad Australia, in November 2009, and built up a portfolio of land exceeding 250,000 hectares across Queensland, Victoria, New South Wales, and Western Australia.³⁹

The second example of how Qatar and the UAE are reshaping the global landscape is in aviation. Arguably the three most dynamic airlines of the early twenty-first century are Qatar Airways, Dubai's Emirates, and Abu Dhabi's Etihad Airways. From relatively recent beginnings in 1985 (Emirates), 1993 (Qatar Airways), and 2003 (Etihad), the three airlines have rapidly grown into some of the world's largest. In recent years, they have developed into global 'super-connectors' capable of linking any two points in the world with one stopover in the Gulf.⁴⁰ Enormous, new state-of-the-art airport facilities have or are being built to meet the requirements of handling the super-generation of long-range aircraft such as the Airbus A380. A total of 90 A380s are on order by Emirates alone, while in 2008, Etihad placed the largest single aircraft order in aviation history for 100 aircraft along with options for a further 105, at a potential cost of \$43 billion.⁴¹

Although it remains to be seen whether three such global airlines can be sustained in such a concentrated area, Qatar and UAE carriers are fundamentally reshaping the map of global aviation. This was evident in September 2012 as Australia's Qantas announced it was ending its longstanding partnership with British Airways in favour of a ten-year alliance with Emirates. The agreement will see Dubai replace Singapore as the transit hub for all Qantas flights between Australia and its European destinations, including its lucrative 'Kangaroo route' to London.⁴² A revealingly frank interview given in 2010 by the Chief Executive of Etihad, James Hogan, encapsulated the advantages derived by Etihad and its fellow newcomers from operating within the political economy of the UAE and Qatar, and as compared with more-established European and North American 'legacy' carriers:

I don't have to tackle the union issues of these other carriers...When it comes to other carriers, we are both similar service airlines, but they are bound by agreements, employment agreements, 15, 20, 30, or 40 years old that are very hard to renegotiate. They are bound by infrastructure – facilities and bases that were right for them 30 years ago or even 20 years ago, but aren't today. I am fortunate that I have a clean sheet of paper.⁴³

These comments encapsulate the commercial advantages to local operators of working without the constraints imposed by organised labour on European and North American competitors, and by the less stringent social welfare requirements that impart a certain advantage over Western rivals.⁴⁴

Small States in International Affairs

The previous section demonstrated how Qatar and the UAE managed to integrate into global economic and governance largely on their own terms. It argued that this is similar to other emerging economies, such as China and India, which have led the rebalancing of global power and increased the voice and representation of developing countries in recent years. Yet, China and India are, respectively, the second and seventh largest countries in the world by landmass, and the two most populous, each

with more than one billion inhabitants. Their size could not be more different from Qatar and the UAE, two small, largely-desert states with populations that consist overwhelmingly of expatriates. Qataris constitute fewer than 300,000 of the estimated 1.9 million inhabitants of Qatar in 2012, while Emiratis represent less than 15% of the 8.9 million residents of the UAE.

This raises a set of important conceptual questions about the changing role of small states in international affairs. As recently as 2006, Qatar was characterised as a ‘micro-state’ by J.E. Peterson in a research article in the *Middle East Journal*.⁴⁵ Since then, extraordinary levels of in-migration have trebled the Qatari population and propelled it out of the ‘micro-state’ category. The UAE has also experienced a near-trebling of the population since 2000 as a result of similarly-high rates of immigration. However, neither their small territory nor population has constrained the projection of power and influence at levels that far outmatches many much larger, and more conventionally ‘powerful’ states. This calls into question some of the dominant assumptions regarding international structures and power in a globalised era in which both are being radically reconfigured.

During the Cold War, the study of great power politics in a bipolar international system dominated much of the historiography of international relations. Within these broad structural parameters, the international politics of the Middle East largely focused on the interaction between outside powers and local states.⁴⁶ ‘Strategic cross-currents’, such as US political and strategic interests in Israel and simultaneous reliance on oil from the Gulf, complicated the reciprocal relationship between the international system and the regional sub-system in the Middle East.⁴⁷ Small states leveraged their influence predominantly through exercising their collective voice through the one-member one-vote system at the United Nations, and through such organisations as the Non-Aligned Movement and the Group of 77 (G77).⁴⁸ An example of this in action was the New Economic International Order put forth in a set of proposals by developing countries in the 1970s. These sought to revise the post-1945 Bretton Woods system created by leading industrialised economies, by collectively promoting ‘Third World’ interests on issues such as improving the terms of trade and reducing developed-country tariffs.⁴⁹

The Iraqi invasion and occupation of Kuwait in 1990 dramatically underscored the vulnerabilities of small states to the rapacious designs of larger and more powerful neighbours. During the twentieth century, a recurring feature of security policy in the four small Gulf states (Bahrain and Kuwait in addition to Qatar and the UAE) was how to balance ties with the three regional powers of Iraq, Iran, and Saudi Arabia. Although specific threats waxed and waned, the smaller Gulf states had to balance cooperation and engagement with the maintenance of national autonomy and protection from attempted interference in domestic affairs.⁵⁰ Although the attack on Kuwait was the most serious instance of the breakdown in this fragile equilibrium, both the UAE and Qatar had unresolved and acrimonious territorial disputes of their own with Saudi Arabia. These led to confrontation between Abu Dhabi and Saudi Arabia in 1954 (at Buraimi) and deadly border skirmishes between Qatar and Saudi Arabia in 1992 and 1993.⁵¹

The US-led international coalition which mobilised so rapidly to condemn the Iraqi invasion and liberate Kuwait in 1991 also carried a significant lesson. This was that states with tangible interdependencies with powerful international partners could

count on their support during times of crisis. Never was this more powerfully demonstrated than during the chaotic first few days after Iraqi troops overran Kuwait, when sceptics inside the George H.W. Bush administration who suggested that the United States accept the Iraqi invasion as a *fait accompli* were convincingly – and quickly – overruled.⁵² In its aftermath, all the GCC states moved to upgrade their bilateral security relationships with the US.

Three factors were pivotal in enabling Qatar and the UAE to overcome the constraints hitherto placed on small states in the international system. The first was a process of generational change that unfolded over the decade and a half after 1990. In Qatar, the present Emir, Sheikh Hamad bin Khalifa al-Thani, overthrew his father in a palace coup in June 1995. This formalised his consolidation of power that began in earnest in 1989, after Hamad became Chairman of the Higher Council of Planning and gradually assumed control over the daily running of governmental affairs.⁵³ In the UAE, the many sons of the aging Sheikh Zayed bin Sultan al-Nahyan took on positions of responsibility in the years before his death in November 2004. Against expectations of factional family in-fighting, this ultimately ensured a smooth succession to his son and new Ruler of Abu Dhabi and President of the UAE, Sheikh Khalifa bin Zayed. In Dubai, the ambitious Sheikh Mohammed bin Rashid al-Maktoum emerged as the driving force under the nominal leadership of his brother, Sheikh Maktoum, before becoming Ruler himself in January 2006.⁵⁴

Significantly, the new rulers benefited from their modern education and professional training. This differentiated them from the earlier generation of Gulf rulers who guided their countries to independence but largely struggled with the challenges of building and consolidating bureaucratic structures and institutional frameworks. Notably, this transition has yet to occur in Kuwait, Oman, or Saudi Arabia, where the issue of intergenerational succession remains uncertain and unresolved. By contrast, the specific trajectories of family rule in Qatar and the UAE generated and even encouraged an entrepreneurial spirit. This accelerated as competing factions – between Prime Minister Sheikh Hamad bin Jassim al-Thani and the Heir Apparent, Sheikh Tamim bin Hamad al-Thani in Qatar, and between different groups of Zayed's sons in the UAE – jostled for influence and position.⁵⁵

Internal differences notwithstanding, ruling elites in both countries were at the forefront of the second factor behind their rise – the grandiose diversification projects and economic 'visions' that got underway in the 2000s. Dubai led the way with its array of ostentatious and eye-catching initiatives that captivated international commentators in the middle of the decade. Its concentration on foreign investment in free zones and dedicated cities, emphasis on luxury tourism and associated infrastructural development, and real estate liberalisation briefly made the 'Dubai model' of non-oil diversification a regional success story before the bursting of the credit and speculative bubble in 2008.⁵⁶ Following the ignominious collapse of *Dubai Incorporated*, attention focused on Abu Dhabi and Doha, and the plethora of international initiatives described in the opening section of this paper. Moreover, the existence both of domestic and regional rivalries spurred on the entrepreneurial instincts of businessmen and officials, as they mobilised aspects of the 'state capitalist' model to fill specific niches, such as renewable energy in Abu Dhabi and diplomatic mediation in Qatar.⁵⁷

Both the first and the second factors are domestic-level ones that build upon the relative autonomy of decision-makers from societal pressures. Originally stemming from the accrual of oil rents during the formative years of nation-building, the distributive nature of Gulf economies elevated rulers to the apex of a highly-stratified pyramidal framework. Their comparatively higher levels of resources and smaller populations provided rulers in Qatar and the UAE with even greater insulation from domestic social actors and economic interests than its fellow GCC states.⁵⁸ This includes even Kuwait, which has a similarly-favourable resources-demands ratio, but where a vocal political class and parliamentary opposition have severely limited the predominant power of the ruling family and government.⁵⁹ By contrast, and in spite of a degree of institutional consolidation and reform of governing and regulatory structures in the 1990s and 2000s,⁶⁰ political power and authority in Qatar and the UAE has remained embedded within small circles of policy-makers clustered around senior members of ruling families.⁶¹

These two domestic factors converged with the third – international – factor that enabled small states to project greater power internationally. This was the changing nature of the concept of power itself in an intensely interconnected world. During the 1990s and 2000s, the acceleration of globalising forces integrated states and societies in worldwide systems and networks of interaction. As noted by Held and McGrew in their work on global transformations, this represented “a significant shift in the spatial reach of social relations and organisation” as the constraints of ‘distance’ and ‘geographical space’ weakened and shrank.⁶² The reconfiguration of notions of political community generated a distinctive form of ‘global politics’ that accounted for the intensity and extensity of global interconnections and states’ enmeshment within trans-national frameworks and issues.⁶³

Opportunities for small states abounded as the link between size and power eroded. Power and influence could instead be projected through multiple channels and in various ways, taking advantage of the leverage and opportunities accorded by rising oil and gas revenues. They were aided and augmented by the rise of ‘state capitalism’ as “the emerging world’s new model”, with the dynamic development of the resource-rich small Gulf economies leading the way in being able to mobilise national resources behind specific projects and programmes.⁶⁴ It was in this context that ‘state-branding’ and ‘soft power’ emerged as potent tools in the contemporary era. As argued above, state-branding has been embraced by officials in Doha and Abu Dhabi to portray Qatar and the UAE as Middle Eastern countries which can offer political stability, economic liberalism, and a safe haven for foreign business and investment. Meanwhile, soft power, as famously developed by Joseph Nye, refers to the ability to appeal to and persuade others using the attractiveness of a country’s culture, political ideals, and policies.⁶⁵ While the political systems of Qatar and the UAE hardly proved models of international emulation, their leaderships did manage to utilise these new ways of engaging in world politics.

The rise of al-Jazeera symbolised the extension of leverage across national boundaries. The path-breaking satellite television station began broadcasting in November 1996, but had, in fact, been envisaged by Sheikh Hamad bin Khalifa in 1994 while he was still Heir Apparent. It reflected his wish for a television station that would broadcast the new Emir’s desired image of a progressive Qatar to the Middle East and the international community.⁶⁶ In this, al-Jazeera was vastly successful; according to one early analysis, it “struck like lightning” as it captivated audiences

across the Middle East and North Africa with its hard-hitting news coverage and no-holds-barred debating programmes.⁶⁷ Equally significant was the launch of a sister channel, al-Jazeera English, in 2006. This proved a masterstroke in countering hitherto largely-negative international perceptions of the channel and its Qatari sponsor, epitomised by Bush administration-era verbal (and even military) assaults on its coverage of the wars in Afghanistan and Iraq.

Al-Jazeera English quickly won plaudits for the quality and depth of its international news reporting, and its first breakthrough came with its coverage of the Israeli assault on Gaza in December 2008 and January 2009. As one of the few English-language channels with a reporter on the ground in Gaza City, it gained widespread recognition and international praise for its coverage. However, its CNN-style 'Gulf War' breakout moment came with the onset of the 'Arab Spring' protests in North Africa in early-2011. Although, like most channels, it was slow to recognise the significance of the escalating protests that culminated in Tunisian President Ben Ali's ouster in January, its subsequent reporting of Egypt's 18-day 'revolution' from Cairo's Tahrir Square became iconic. Its live-streaming of the massive demonstrations against Hosni Mubarak resulted in a 2,500% rise in viewing figures and a growing clamour for the channel to be included on satellite television packages in the United States. Finally, it seemed, al-Jazeera had won for itself international acceptance and credibility as its English-language channel succeeded in rebranding the network, even though its Arabic-language channel remained significantly different both in content and tone towards the unfolding upheaval.

The relentless advances in information and communications technologies provided a plethora of new platforms for expressing and extending influence in the contemporary global age. UAE entities such as Dubai's Media City also exploited the new opportunities, as did Abu Dhabi, which funded the regional bureaux of international news organisations such as CNN International and Sky News Arabia – the latter a joint venture between BSkyB and the Abu Dhabi Media Investment Corporation, which provides generous financial support to the new channel.⁶⁸ During the 2000s, these trends converged with the massive windfall accumulations in Gulf economies to greatly expand their international capability and global reach. Indeed, one recent assessment of Qatar's diplomatic initiatives acknowledged "the vast financial resources at its disposal to host mediation talks and offer financial incentives for peace" as one of the reasons for its success.⁶⁹ Clearly, these particular advantages are not uniformly available to many other states (small or large). Nevertheless, they do demonstrate the powerful 'multiplier effect' arising from the intersection of capital accumulation, globalising technologies, and concentrated leadership structures.

The award of the 2022 FIFA soccer World Cup to Qatar on 2 December 2010 capped the remarkable rise of the GCC states to international prominence. It far exceeded individual deals for soccer teams and stadia that saw iconic teams such as Manchester City pass into Abu Dhabi ownership (and rebrand their stadium as The Etihad) and Arsenal play their home games at The Emirates stadium in London. The World Cup outcome may have surprised observers around the world, but Qatar's race, seemingly from nowhere, to win the hosting rights reflected in microcosm its nuanced intersection of country-branding and the creation of coalitions of regional and international support. Simply put, its leadership worked the political mechanics of vote-winning better than rival bidders in order to secure the support of enough of the 24 voting members on the FIFA Executive. Qatari officials also pitched a very

persuasive portrait of a nation using football to bridge very different cultures, from West to East, all encapsulated in its catchy bid slogan, 'Expect Amazing'.⁷⁰

Beyond the Arab Spring

A mere fifteen days separated Qatar's stunning World Cup success from Mohammed Bouazizi's desperate act of self-immolation in Tunisia on 17 December 2010. His plight resonated heavily among people across the Arab world. It tapped into powerful feelings of helplessness and a perceived lack of prospects among youthful populations lacking sufficient opportunities for employment or upward mobility. What developed into the 'Arab Spring' led to the rapid demise of Presidents Ben Ali and Mubarak in Tunisia and Egypt, the eventual ousting of Colonel Gaddafi and Ali Abdullah Saleh from power in Libya and Yemen, and intensifying mass opposition to the regimes in Bahrain and Syria. Their size and contagious overspill distinguished the civil uprisings from previous expressions of discontent, and demonstrated the magnitude of the socio-economic and political challenges facing the Middle East and North Africa.⁷¹

Although the bulk of the regional upheaval was focused on North Africa and the Levant, it did not escape the Gulf states. Persistent unrest spread to the Arabian Peninsula in the spring of 2011. Although the uprising in Bahrain was its most violent and visible manifestation, it also encompassed continuing violence in the Eastern Province of Saudi Arabia, mounting tensions in Oman, and the escalating public and political protest in Kuwait that led to the resignation of its Prime Minister in December 2011. In the Gulf, the flipside of the potent hyper-modernising new tools of communication and mobilisation that hitherto had facilitated their global rise became apparent. In particular, the synthesis of new and social media with younger and highly-technology savvy populations enabled the instantaneous spread of ideas and news, eroded state controls over the flow of information, and underscored the vulnerability of regimes to new methods of public accountability.⁷²

Both Qatar and the UAE have been at the forefront of attempts to control and shape the direction of the changes coursing through the Arab world. Notably, this took on a much more muscular and militarised characteristic. In the case of Qatar, it involved a drastic shift away from its previous focus on diplomatic mediation in favour of actual intervention and picking sides in regional conflicts. This was most evident in the scale of their multifaceted intervention in Libya's civil conflict in 2011, but it also was on display in the GCC move into Bahrain at the same time. When considered side-by-side, the two interventions reveal how ostensibly the same concept can mean very different things in separate contexts. Indeed, an article in the *New York Times* in September 2012 suggested they were interlinked. It cited Obama administration sources who claimed that the UAE had threatened to withdraw from the international coalition being assembled to support the creation of the No-Fly Zone over Libya if US Secretary of State Hillary Clinton did not end her public criticism of the crackdown in Bahrain.⁷³

The start of the Benghazi uprising against Colonel Gaddafi's mercurial rule therefore provided welcome breathing space for GCC states in February and March. It diverted attention from the simultaneous escalation of mass protests against the al-Khalifa ruling family in Bahrain. Moreover, it allowed individual Gulf states to position

themselves against a repressive regime and make a high-profile stand against tyranny. Qatar, especially, aligned its support for the protection of human rights and democratic expression with the (Western-led) international community. Prime Minister Hamad bin Jassim al-Thani was instrumental in rallying GCC and Arab League support around the idea of a No-Fly Zone in March, and subsequently in recognising the National Transitional Council (NTC). He further stated that “Qatar will participate in military action because we believe there must be Arab states undertaking this action, because the situation is intolerable”.⁷⁴

Qatar’s military and financial assistance proved critical to the success of the Libyan uprising. Qatari Mirage fighters participated in the NATO-led air strikes and gave the military operations the Arab support necessary to dilute concerns of another Western intervention in the region. Qatar also supplied weapons and training and provided operational advice as well as special forces, which reportedly played a key role in the final rebel breakthrough into Tripoli in August 2011. Non-military forms of assistance included more than \$400 million in financial aid, supplies of water, heating gas and essential goods, and help with selling and marketing Libyan oil. Qatar was also one of the first countries to recognise the NTC as the legitimate representative of the Libyan people, and organised the first meeting of the International Contact Group on Libya in April.⁷⁵

The UAE joined Qatar in leading the charge for finding Arab solutions to Arab problems. Abu Dhabi (in particular) extended significant logistical and material support to the rebels. The emirate hosted meetings of Libyan provincial and tribal representatives in May 2011 and the third meeting of the International Contact Group in June. In August, the reopened Libyan consulate in Dubai hosted security talks between the NTC and officials from the UAE, the US, the United Kingdom, Canada, and Italy. Meanwhile in November, the appointment of Abdurrahim El-Keib as Interim Prime Minister further cemented the links between Libya and the UAE, as El-Keib gave up his position as Departmental Chair in the Petroleum Institute in Abu Dhabi in order to move to Tripoli.⁷⁶

Following the dramatic taking of Tripoli in August 2011, the sight of the Qatari flag flying alongside the Free Libya flag in Gaddafi’s Bab al-Aziziya compound was rich in symbolism. During the six-month uprising, the visibility of the UAE and Qatar’s role played into their ambitious global branding strategies. For the UAE, it deflected negative attention from the arrest and detention of political activists and the narrowing of oppositional and political space at home. By contrast, participation in the ousting of a repressive autocrat protected the country’s image and credibility among its high-profile Western partners. Qatar, for its part, had invested heavily in constructing a worldwide reputation for diplomatic mediation and conflict resolution prior to 2011. Aligning itself so closely with the Libyan rebels was a risky manoeuvre that could have gone badly wrong had the uprising faltered and Gaddafi remained in power, but the depth and breadth of Qatar’s commitment ultimately paid off.⁷⁷

At much the same time that Qatar and the UAE were mobilising Arab support for intervening on behalf of the opposition in Libya, the GCC was deploying its Peninsula Shield Force to Bahrain to assist the government in restoring order. In fact, the two were almost simultaneous. GCC forces crossed the King Fahd Causeway from Saudi Arabia into Bahrain on 14 March while the United Nations authorised the No-Fly Zone around Benghazi five days later, on 19 March 2011. The sudden resurrection of

the Peninsula Shield Force, six years after its apparent dissolution in 2005,⁷⁸ failed to mask the reality that the force consisted of 1000 troops of the Saudi Arabian National Guard and about 500 police from the UAE. Furthermore, whereas the original Peninsula Shield Force was designed to meet external security threats during the Iran-Iraq War, its 2011 variant was deployed to contain an internal challenge in Bahrain. Writing in *Foreign Policy* two days later, Mohammed Ayoob trenchantly suggested it proved that “the real reason for the establishment of the GCC in 1981 was not defence against external enemies threatening the security of GCC states but cooperation against domestic challenges to authoritarian regimes”.⁷⁹

Unlike the UAE, Qatar did not send forces to Bahrain; nevertheless, its membership of the GCC rendered it vulnerable to accusations of double-standards. Moreover, in contrast to its withdrawal of support for beleaguered regimes in Libya and later Syria, both Qatar and the UAE joined with Saudi Arabia and Kuwait to pledge substantial developmental aid to shore up embattled monarchical regimes. This took the form of GCC pledges of \$10 billion in financial support to Bahrain and Oman over ten years and \$5 billion to Jordan over five years.⁸⁰ Qatar’s reputation also was dented by accusations that al-Jazeera English bowed to political pressure to not rebroadcast *Shouting in the Dark*, its award-winning documentary about the Bahrain uprising.⁸¹ Shortly afterwards, in September 2011, al-Jazeera’s longstanding Director-General, Wadah Khanfar, resigned suddenly, and was replaced by a ruling family member, Sheikh Ahmed bin Jassim bin Mohammed al-Thani.⁸²

While Qatar has consistently insisted in public that al-Jazeera is editorially independent of the ruling family and state policy, sceptics have long suspected that the Arabic-language channel “serves as an arm of its host nation’s foreign policy”.⁸³ Even before 2011, leaked US diplomatic cables suggested that the channel might become “a bargaining tool to repair relationships with other countries, particularly those soured by Al Jazeera’s broadcasts”. Specific examples of such action included assertions that the channel had apparently toned down its criticism of members of the Saudi ruling family, and how the Prime Minister had allegedly offered Egyptian President Hosni Mubarak a bargain by which Qatar would stop broadcasting al-Jazeera in Egypt for one year in return for a change in Egypt’s position on the Palestinian issue. The cables also cited the American Embassy in Doha stating that the channel had proved “a useful tool for the station’s political masters”, and the then-American Ambassador to Qatar, Joseph LeBaron, adding that “Despite GOQ [Government of Qatar] protestations to the contrary, Al Jazeera remains one of Qatar’s most valuable political and diplomatic tools”.⁸⁴

In the year since the Libyan revolution, the reputation both of Qatar and of al-Jazeera has come under sustained scrutiny. As early as March 2011, Yemen’s President Ali Abdullah Saleh reacted angrily to Qatar’s involvement in GCC efforts to reach a political solution to the escalating internal protests. GCC attention had focused on reaching an agreement for a peaceful transition of power to an interim council, but the Qatari Prime Minister went further and called on Saleh to resign. In response, Saleh denounced Qatar’s “blatant interference in Yemeni affairs” at a rally of supporters in Sana’a, adding that “the Qatari initiative is rejected, rejected, rejected. We reject what comes from Qatar or Al Jazeera”.⁸⁵ Prominent claims of institutionalised bias and even the deliberate distortion of news narratives subsequently dogged al-Jazeera’s coverage of Egypt’s post-Mubarak political transition. Following the election of the Muslim Brotherhood’s candidate, Mohammed Mursi, to the Presidency in June 2012,

Sultan Souud al-Qassemi, a prominent Emirati commentator, wrote a scathing article for the American-based *al-Monitor* website. Al-Qassemi described the multiple prongs of al-Jazeera Arabic's support for a Brotherhood-led political transition in Egypt, suggesting that "Al Jazeera Arabic's love affair with the Muslim Brotherhood" extended to its Arabic-language website edition, as well as beyond Egypt, to include its "championing of the Muslim Brotherhood-dominated and highly ineffective Syrian National Council".⁸⁶

Yet it is Qatar's high-profile support for the Syrian opposition that places in jeopardy its regional and international standing. As with Libya, the Emir and the Prime Minister led the way in calling for President Assad to step down, and rallying support at the Arab League and the United Nations. In January 2012, the Emir used an interview on CBS News' flagship *60 Minutes* programme to advocate sending Arab League troops to Syria to halt the worsening bloodshed.⁸⁷ Allegations have persisted since that Qatar, along with Saudi Arabia and individual networks in Kuwait, was channelling financial aid and small arms to groups of rebel fighters in Syria.⁸⁸ In September 2012, an investigative report by *Time Magazine* claimed that Qatari and Saudi funding and weaponry was finding its way to competing factions within the Free Syrian Army. Whereas Qatar reportedly developed close links with the Muslim Brotherhood of Syria, other Gulf networks allegedly supported Salafi groups that form part of wider Islamist networks. The report concluded that Qatar and Saudi Arabia were engaged in "a game of conflicting favourites that is getting in the way of creating a unified rebel force to topple the Assad regime".⁸⁹

The lack of consensus both within the Syrian opposition and among the international community at large exposes Qatar to significant reputational risk. Michael Stephens of the Royal United Services Institute (RUSI) in Qatar believes that "Syria has the potential to discredit Qatar in a big way... Qatar thinks it's Libya all over again. But at this point, they cannot just insert themselves into the diplomatic process and appear free of an agenda".⁹⁰ This cuts to the heart of the problem facing the Qatari leadership, namely the erosion of their carefully-forged reputation as an honest and relatively impartial mediator, which served their diplomacy so well prior to 2011. Once perceived to lack historical baggage or regional ambitions in its dealings with regional partners, Qatar's recent foreign policy has, paradoxically, shredded the attributes that allowed its rulers to assert themselves on the regional and international stage.⁹¹

Three examples illustrate the newfound difficulties facing Qatari officials. In Libya, disclosure of the extent of Qatari involvement caused controversy and considerable unease among elements of the National Transitional Council in the aftermath of Gaddafi's messy death. Revelations emerged about Qatari funding and arming for multiple Islamist militia groups, including the commander of the feared Tripoli Brigade, Abdul Hakim Belhadj, as well as the prominent Ali and Ismail al-Salabi brothers. It was almost certainly Qatar that the interim oil and finance minister, Ali Tarhouni, had in mind when he stated, in October 2011, that "It's time we publicly declare that anyone who wants to come to our house has to knock on our front door first".⁹² Tarhouni followed up with more precise details of Qatar's suspected involvement in an interview later in 2011:

I think what they have done is basically support the Muslim Brotherhood, and I think that's an infringement on the sovereignty of the country... They have brought armaments, and they

have given them to people that we don't know – I think paid money to just about everybody. They intervened in committees that have control over security issues.⁹³

In Algeria, relations with Qatar deteriorated following a reported clash between its foreign minister, Mourad Medelci, and Prime Minister Hamad bin Jassim al-Thani, at an Arab League ministerial meeting in November 2011. According to reports widely circulated in the Arab media, Sheikh Hamad bin Jassim reportedly told his Algerian counterpart to “stop defending Syria because your turn will come, and perhaps you will need us”.⁹⁴ Two months later, a more serious diplomatic breach occurred when the Emir hastily cut short a visit to Mauritania and returned to Qatar only a few hours after his arrival in Nouakchott. Remarkably, the local media reported that “The emir demanded that the Mauritanian President launch democratic reforms” and that this was viewed as blatant and unacceptable interference in domestic affairs. Following the Emir’s departure, without diplomatic send-off, a group of opposition parties released an inflammatory statement, which stated that “It is with great regret that we follow the conspiracy of the emir and his band against the security and stability of our Arab countries”.⁹⁵

The foregoing should not imply that Qatari efforts to engineer regional solutions for regional issues are necessarily problematic. Yet it indicates that the shift from diplomatic mediation to a more assertive foreign policy may encounter stiffening resistance. Qatar is unlikely to repeat its Libyan success elsewhere, for the simple reason that a coalescence of different factors isolated the Gaddafi regime both regionally and on the world stage. These conditions do not exist in Syria or in any of the other current flashpoints, such as neighbouring Bahrain. Instead, the documented examples of regional pushback to Qatari actions suggest that the reservoir of goodwill towards Qatar (and al-Jazeera) may rapidly be depleting. Moreover, rising animosity could come back to haunt Qatar at a later point in time. While currently speculative, it is not difficult to imagine the *schadenfreude* with which regimes that have been on the receiving end of Qatari criticism might react should problems ever develop within Qatar itself. With a recent history of inter-ruling family factionalism and palace coups (in 1960, 1972, and 1995), this may not be as fanciful as it currently sounds.⁹⁶

The UAE faces a different set of vulnerabilities that undermine its hitherto-successful global image, and explain its radically divergent response to the Arab Spring. Whereas Qatar embraced the opportunity to exert its combination of soft and increasingly-hard power, the UAE retrenched from the relative openness that had characterised its international outreach before 2011. This reflected the widening gap between Abu Dhabi and Dubai, as they grew into global cities and the five resource-poor and economically-underdeveloped other emirates of Sharjah, Ras al-Khaimah, Fujairah, Ajman, and Um al-Qaiwain. The so-called Northern Emirates have long suffered from inequalities in living standards, disparities in the quality of public services and infrastructure, and access to educational and employment opportunities. In August 2011, the combination of these social and economic pressures led the *Gulf States Newsletter* to refer to the “potential ticking time-bomb in the Northern Emirates” as it noted that they had long records as hotbeds of political activism.⁹⁷

Worryingly for ruling elites in Abu Dhabi, the potent intersection of socio-economic pressures and calls for political reform spread rapidly from North Africa to the UAE. Initial demands for change were remarkably mild compared to those made elsewhere. In March 2011, a petition signed by 132 Emiratis requested that all UAE citizens be given the right to vote and that the Federal National Council be vested with legislative

powers. Yet even these most moderate of demands were too much for the leadership in Abu Dhabi, who responded by arresting five high-profile advocates for reform, for “breaking laws and perpetrating acts that pose a threat to state security, undermining the public order, opposing the government system, and insulting the President”, the hereditary ruler of Abu Dhabi, Sheikh Khalifa bin Zayed al-Nahyan.⁹⁸

This was the prelude for several phases of arrests of political and human rights activists. In addition to the ‘UAE5’ detained soon after the March 2011 petition and the stripping of the citizenship of seven Emiratis in December 2011, a renewed wave of arrests over the summer of 2012 indicated a mounting cycle of repression and opposition. By September 2012, more than sixty people had been detained, from every emirate and all socio-economic and political backgrounds, and included judges, academics, lawyers, and even a member of the ruling family of Ras al-Khaimah.⁹⁹ Moreover, the hitherto-autonomous leadership of civil society organisations, such as the Jurist Association (which had been an institutional signatory of the reform petition and whose president was among the detainees) and the Teachers’ Association were dismissed and replaced by government appointees.¹⁰⁰

In addition to harming the international image of the UAE, which now stands accused of mistreating detainees and holding political prisoners by Human Rights Watch and Amnesty International, the clampdown also undermines its portrayal as a regional and global hub for businesses and institutions looking to establish a foothold in the Middle East. A large part of the appeal rested on the emphasis on tolerance of other cultures, openness to diversity, and special free zones operating beyond national laws. It was very successful, as prestigious and high-profile international organisations and multinational corporations located their regional offices in the country. Among the most recent arrivals are Sky News Arabia and CNN, both located in Abu Dhabi. They are joined by prestige cultural and educational arrivals, such as planned branches of the Guggenheim and Louvre museums, and campuses of New York University (NYU) and the Sorbonne.¹⁰¹

Yet with each new arrest, it will become harder for international partners and institutions to continue to justify their engagement with the UAE. 2012 saw the abrupt departure of the regional branches of the Konrad Adenauer Foundation and Gallup (in Abu Dhabi) and the National Democratic Institute (in Dubai).¹⁰² All three institutions had actively been courted by Emirati officials as part of their internationalisation strategy in the late-2000s, making their sudden closure, on the grounds that they had no legal permit to work in the country, stranger still.¹⁰³ Similar technicalities accounted for the unexpected ending of the Gulf Research Center’s decade-long tenure in Dubai in 2011, after its professional license to operate in the UAE was not renewed, owing to “objections by the Dubai government to various aspects of the GRC’s work”.¹⁰⁴

The UAE has therefore reacted to the Arab Spring in very different ways from Qatar, starting from its direct contribution to the Peninsula Shield Force incursion into Bahrain. Its subsequent involvement in the NATO-led coalition in Libya likely stemmed not from humanitarian interests but rather a wish to maximise leverage over wavering international partners such as the United States. As indicated in the *New York Times*, officials reportedly pressured the US to moderate its criticism of Bahrain and Gulf monarchies. This is consistent with suggestions that displeasure with the tone of BBC World’s coverage of protests within the UAE played a part in the

surprise decision to block BP from bidding for major upcoming onshore oil concession in Abu Dhabi.¹⁰⁵ Ironically, the application of direct or indirect leverage over international partners wishing to ‘do business’ with the UAE is a continuation of the strategies that propelled it to global prominence, but channelled in different directions.

Conclusion

The rapid rise of the Gulf states to global prominence took place against the backdrop of a convergence of enabling factors. These included the oil-price rise and subsequent accumulation of capital, policy-making shifts in how to utilise the resulting windfall, and, not least, the fact that the international system was itself in a state of flux. This accorded multiple opportunities to small states such as Qatar and the UAE to proactively participate in the broader rebalancing of global geo-economic power. As the first and second sections of this paper indicate, the results frequently were eye-catching, and culminated in the awarding of the 2022 World Cup to Qatar. In the meanwhile, the regional upheaval of the Arab Spring has introduced profound new vulnerabilities to both countries. Although these are more urgent and threatening to the UAE, they also call into question the viability of Qatar’s ability to continue to project itself as a regional leader and international actor. And while both countries’ involvement in shaping the response to the Arab Spring has confirmed them as regional powers with an international reach, it has paradoxically highlighted a new sense of vulnerability detectable in small states, in which stability cannot be assumed and such state’s fragility may be greater than previously imagined.

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